

TOWN OF ALLENSTOWN
Budget Committee
16 School Street
Allenstown, New Hampshire 03275
December 12, 2013

Call to Order.

The Allenstown Budget Committee Meeting for December 12, 2013 was called to order by the Chair at 6:00pm.

Roll Call.

Present on the Board: Dave Eaton, Larry Anderson, Carl Caporale , Jerry McKenney , Dave Coolidge , Mike Frascinella , Chris Lavalley, Jeff Gryval, Penny Touchette, Andrea Martel, and Carol Merrill.

Excused: Deb Carney and Roger LaFleur

Others Present.

Residents of Allenstown:

Others Present: Anthony Blinn, Special Education Coordinator; Mark Dangora, Assistance Principal; Deb Bulkley, Interim Principal; and Peter Aubrey, School Administrator for SAU.

Other Public Officials:

Allenstown Staff: Diane Demers, Financial Director; Paul Paquette, APD; and Shaun Mulholland, Town Administrator.

Mr. Gryval announced that they have a quorum of the Select Board present at tonight's meeting so that tonight's meeting was posted. He explained that Mrs. McKenney is present as a member of the audience and that he is the Select Board representative for the Budget Committee.

Discussion with School Board about Public Hearing Announcements

Mr. Mulholland stated that they need post by January 2, 2014 for the public hearing. Mr. Irzyk stated that they usually post something along with the town. Mr. Mulholland stated that the

public hearing is scheduled for January 11, 2014. He stated that the Budget Committee will be going first at that meeting followed by the School Board. He stated that the Budget Committee has to sign off on the budget at that meeting.

Mr. Mulholland stated that the Budget Committee needs to schedule another meeting on January 14, 2014 or sooner to approve Petition Warrant Articles.

The Chair stated that they have a scheduled meeting for December 19th and that he will not be at that meeting therefore, Mrs. Touchette will be running that meeting. He stated that they will be presented with the School Board's budget for 2014-2015 tonight and to make sure that they ask any questions tonight. He stated that they will need to have other meetings in case there are Petition Warrant Articles with money in them on January 14, 2014. Mr. Mulholland stated that the Deliberative Session is on February 1, 2014.

Warrant Articles

The Chair stated that he is going to read the Warrant Article, they will have a motion and a second and then vote on it.

The Chair read Warrant Article I which stated "shall the town of Allentown raise and appropriate the sum \$10,000 to be placed in the Landfill Capital Reserve Fund. Passage of this article has an estimated tax rate impact of approximately \$0.04 per 1,000 of assessed value" He stated that there is a note that the Select Board has voted to recommend the three articles.

Motion. Mrs. Merrill made a motion to recommend Warrant Article I as written. Mr. Anderson seconded the Motion.

The Chair asked Mr. Mulholland to explain the article for the audience. Mr. Mulholland stated that Capital Reserve Fund will have \$1,307.74 left in it once the Trustees transfer the funds over. He stated that they spend an average of \$8,000 for Novis Engineering to do the testing at the Landfill site which is required by DES.

Mr. Frascinella asked what Novis has been finding in their reports. Mr. Mulholland stated that there are naturally occurring minerals that are going over the allowed amounts. Mr. Frascinella asked how long they have to continue doing the testing. Mr. Mulholland stated that they are indefinite.

A Roll Call Vote was taken: Mr. Anderson-Yes; Mr. Coolidge-Yes; Mr. McKenney-Yes; Mr. Caporale-Yes; Mr. Gryval- Yes; Mr. Lavalley-Yes; Mr. Frascinella – Yes; Mrs. Merrill – Yes; Ms. Martel – Yes; and Mr. Eaton-Yes. The Chair declared the Motion passed.

NOTE: Mrs. Touchette – Yes

The Chair read Warrant Article II, “shall the town vote to appropriate the sum of \$10,000 to be added to the Accrued Benefits Liability Expendable Trust Fund and to be funded from Fund Balance. Passage on this article has no impact on the tax rate.

Motion. Mrs. Touchette made a motion to recommend Warrant Article II. Mr. Anderson seconded the motion.

Mr. Mulholland stated that there is another article that goes with this one but does not have any money involved with it. He stated that there is an article to create a Expendable Trust Fund account as right now if an employee leaves the town, there is no way to pay out the benefits for them. Mr. Coolidge asked where this money comes from if it doesn't impact the tax rate. Mr. Mulholland stated that it comes out of the Unreserved Fund Balance.

Mrs. Merrill asked if they need that amount of money in the account. Mr. Mulholland stated that the \$10,000 doesn't even cover one person.

A Roll Call Vote was taken: Mr. Anderson-Yes; Mr. Coolidge-Yes; Mr. McKenney-Yes; Mr. Caporale-Yes; Mr. Gryval- Yes; Mr. Lavalley-Yes; Mr. Frascinella – Yes; Mrs. Merrill – Yes; Ms. Martel – Yes; and Mr. Eaton-Yes. The Chair declared the Motion passed.

NOTE: Mrs. Touchette – Yes

The Chair read Warrant Article III, “to see if the town of Allentown will vote to authorize the Select Board to enter into a long-term five year lease purchase agreement for \$164,500 for the purpose of acquiring a new dump truck with plows and sander for the Highway Department and to raise and appropriate the sum of \$36,000 for the first year's payment for that purpose. This lease agreement contains an escape clause. This vehicle will replace a 1990 dump truck. This warrant article has an estimated tax impact of approximately \$0.15 per \$1,000 of assessed value.

Motion. Mrs. Touchette made a motion to recommend Warrant Article III. Mr. Anderson seconded the Motion.

Mr. Caporale asked what the escape clause is for. Mr. Mulholland stated that it is required in all leases. Mrs. Merrill asked how much it will be after the first year. Mr. Mulholland stated that it will be the same fee of \$36,000 each year. Mr. Anderson asked what they are going to do with the truck they are replacing. Mr. Pelissier stated that they will take it to be auctioned.

Mr. Gryval stated that the reason the Board of Selectman approved the Warrant Article is because the vehicle is 24 years old and that has been used for many purposes throughout the

town over the years. Mr. Pelissier stated that the truck doesn't have the power that it used to have.

Mr. Anderson asked what kind of truck the new one would be. Mr. Pelissier stated that they this truck would be an International truck which seem to be super reliable and that the price was fair.

Mr. Frascinella asked what would be the estimate for the cost to maintain the 1990 truck for the next year. Mr. Mulholland stated that regular maintenance doesn't cost that much; however, it is the large repairs that cost a lot of money. Mr. Gryval stated that to rebuild the engine it would cost about \$8,000-\$10,000. Mr. Pelissier stated that their plan is to use the new truck out in the country area and migrate the other trucks in the downtown areas.

Mr. Lavalley asked what happens to the money that comes in from auction. Mrs. Merrill stated that it would go in the general fund.

A Roll Call Vote was taken: Mr. Anderson-Yes; Mr. Coolidge-Yes; Mr. McKenney-Yes; Mr. Caporale-Yes; Mr. Gryval- Yes; Mr. Lavalley-Yes; Mr. Frascinella – Yes; Mrs. Merrill – Yes; Ms. Martel – Yes; and Mr. Eaton-Yes. The Chair declared the Motion passed.

NOTE: Mrs. Touchette – Yes

School Board Presentation

The Chair asked Mr. Irzyk to introduce people with him when he gives the presentation. Ms. Martel asked the member of the School District to introduce themselves. Among them were Anthony Blinn Special Education Coordinator; Mark Dangora, Assistance Principal; Deb Bulkley, Interim Principal; and Peter Aubrey, School Administrator for SAU.

Ms. Martel distributed packages of the presentation to the Budget Committee. She explained that page one includes the Warrant Article for the School Board budget in the amount of \$9,783,805 and that the default is \$9,756,468.

Ms. Martel stated that there is about a 1.78% increase to the overall budget. She explained that there was a 0.9% increase for medical insurance. She stated that changes to the contracts for the teachers and paras that were approved last year are included in this budget. She stated that 84% of the budget is due to salaries and benefits. Mr. Irzyk explained that the \$174,597 is Allentown's share that they pay for the SAU for that \$1.4 million budget.

Ms. Martel stated that one of the biggest increases for the school was the price per student as there are fewer students per teachers. Mr. Irzyk stated that they had some of the charter school students leave there. Mrs. Merrill asked if the charter school is working out for the students. Mr.

Irzyk explained that the charter school is a great avenue for some students who are at a disadvantage.

Ms. Martel stated that this year the school returned \$106,778 to the town for a total of just over \$3 million dollars in an eleven year period. Mr. Anderson asked if the \$106,778 goes into the building fund. Mr. Irzyk stated that was just to approve that going forward and that it starts this year.

Mr. Caporale asked about the number of students per school. Mr. Irzyk stated that there is a total of 253 in Allenstown Elementary School (AES), 137 in Armand R. DuPont School (ARD) and 156 at Pembroke Academy. Mr. Coolidge stated that the number of students is dropping significantly. Mr. Irzyk stated that they have seen the numbers come up in the lower grades.

Mr. Frascinella stated that if they take the proposed School Board budget and divide it by the 556 students, it comes out to \$17,600 per student. He asked if they have a decrease in students, should they have a diminishing amount of teachers to even it out. Mr. Irzyk stated that he doesn't know they would figure in the total cost with that number. He stated that they are at \$15,050 for an average per student cost and last year the State average was \$13,647.

Mr. Frascinella stated that it sounds like they are spending more to teach fewer students. Mr. Irzyk stated that last year they reduced classes and increased classroom sizes. He stated that they are reducing a lot going into next year. Ms. Martel stated that they are moving the fifth grade to ARD next year which allows them to reduce a teacher. Mrs. Bulkley stated that this will cause the class sizes to go up in the next school year because they are dropping a teacher and the students will be split up amongst the other teachers already there.

The Chair asked if the \$9.6 million includes the Warrant Article amounts for the teacher contracts. Mr. Irzyk stated that those numbers are added into the current budget because last year when it passed, the warrant article had to approve the money for the first year. He stated that each year they will have to add in the warrant articles into the default.

Mr. Irzyk stated that the increase at Pembroke Academy is a five percent increase which is a cost increase of \$390,000. He stated that they don't have a say in the costs with the Pembroke Academy as far as the classroom sizes and that it is ultimately up to the Pembroke Board. He stated that there is a potential agreement with Pembroke Academy and Hooksett to take in 40 students and that if it goes through, that would redistribute the costs and the balance would go back to the town. He explained that the cost from Pembroke Academy funnels into the cost per student.

Mr. Frascinella stated that the way the Warrant Article reads, he thinks that people will automatically vote for the default because the proposed budget is higher than the default. He stated that there is criticism that the state unemployment rates are higher than reported and that many may not be happy about increases in school budgets.

Mr. Caporale asked how New Hampshire is standing with education and AYP. Mrs. Bulkley stated that they have eliminated the AYP and are switching the type of assessments they are doing based on Common Core National Standards. She stated that their status of needing improvement was based on a small amount of students. She stated that overall 85% of their students are proficient in reading. She stated that they just started a new math program and expect the math numbers to increase over the next few years.

Mr. Frascinella stated that last year's budget presentation included numbers of the what the State was kicking back for funding. Mr. Irzyk stated that the education is being pushed back more onto the taxpayers. Ms. Martel stated that on the second to last page, it shows how much the State is contributing and that they lost \$61,000 in funding.

The Chair asked Mr. Irzyk to go through that page so that everyone understands where the grants and moneys are coming from. Mr. Irzyk the Adequate Education Grant is down by \$61,000 and the State Education Tax is down another \$22,000. He stated that they had an increase in Catastrophic Aid and that the revenue from Federal Resources stayed the same.

Mr. Caporale asked if they have moved completely over to Common Core. Mr. Irzyk stated that they are in the process of it. Mr. Caporale asked if NECAP testing is only for 3rd through 5th grade. Mrs. Bulkley stated that NECAP is for 3rd through 8th grade and that they have given their last NECAP test as they are switching over to Smarter Balance which will begin in spring 2015.

Mr. Frascinella asked what a NECAP test is. Mrs. Bulkley explained that NECAP testing is a state assessment test. She stated that most of the states are going to the Smarter Balance test which will allow them to compare students to other students across the country. There was further discussion of the change in testing.

Mr. Caporale stated that the School Board presentation gives a total of 556 students for the year and the State has them at 409 students. Mr. Aubrey stated that the State's number doesn't include the high school students. Mr. Irzyk doesn't count their high school students because of Pembroke Academy.

Mr. Frascinella asked what homeless transportation is. Mr. Irzyk stated that right now if a family is deemed homeless, the school bears the burden of transporting them to school and educating them. He stated that they do get revenues back but that the District still has to pay the costs. He

stated that he has been voicing his concern to the State that there is no time limit of the homeless status and should things change for the family, they should be allowed to stay in their schools. There was further discussion of who is considered homeless and the burden on the schools.

Mr. Caporale asked if they know the Special Need ratio for this year against the total amount of students. Mr. Irzyk stated that there are 48 IEPs with 2 in the process, 10 in preschool and ARD has 29 students, 35 IEPS at Pembroke Academy, and 3 out of districts. He explained that there are decreases in the Special Needs costs for the budget.

Mr. Caporale asked if the process for determining Special Needs has remained the same as last year. Mr. Blinn stated that anyone can make a referral to Special Education and every three years they review to see if they can take the student off. Mr. Caporale asked how many reviews they did to see who they could take off. Mr. Blinn stated that he doesn't have that number off hand but that he can get them that number.

Mr. Coolidge asked if they are about average for other surrounding town. Mr. Blinn stated that Allenstown is close to Pembroke and Deerfield is higher than Allenstown. He stated that there are a number of disabilities that students can qualify for and that there are criteria's that the State requires.

Ms. Martel stated that on the last page of the budget packet, there is a warrant article to change the purpose of one of the Trust Fund to include labor, installation and purchasing so that it won't have to come out of the operating budget. Mr. Irzyk stated that they are not looking to add any money and are just looking to change the name. He stated that they have to change the function of the account so that they can take funds out for those purposes.

Mr. Caporale asked what portion of salaries makes up the budget. Mr. Irzyk stated that it is 84 percent and that they are seasonal staff. He stated that they have 27 certified educators in AES, 17.9 at ARD, 19 non-certified staff at AES and 11 non-certified at ARD. He stated that the biggest asset to the school is the staff.

Mr. Frascinella asked about page one of the budget package where it states "tuitions, other districts 1.855" if that was for Pembroke Academy because it would be \$11,000 per student based on the students going there. Mr. Irzyk stated that it is for Pembroke Academy.

Discuss Meeting on December 19, 2013

The Board determined to put it on the agenda for next week to further discuss and approve the School Board budget.

Ms. Martel asked if there are any questions in the meantime to please forward them to her so she can get them answered. She also stated that she would email a copy of the budget to the Chair for him to distribute to the other Board Members.

Other Business

Mrs. Touchette asked if they have minutes to review and approve. The Chair stated that he has not seen any minutes for last week yet. Mr. Gryval informed the Chair that Mrs. Hetu was out of state at a wedding.

The Chair stated that he would like to know whose term is up and when they need to sign up by. Mrs. Demers stated that she will look into whose term is up and that they need to sign up by January 22nd to the 31st.

Mr. Caporale stated that when they look at the budget for the school, NH did fully embrace Common Core and that the members may want to do some reading on it so that they know what they are investing their money in.

The Chair asked the members if they received a copy of the memo from Chief Gilman. The members expressed that they have not read that memo. The Chair stated that the memo will be discussed at next week's meeting and that Chief Paquette will be present at the meeting.

Motion. Mrs. Touchette made a motion to adjourn. Mrs. Merrill seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. Anderson-Yes; Mr. Coolidge-Yes; Mr. McKenney-Yes; Mr. Caporale-Yes; Mr. Gryval- Yes; Mr. Lavalley-Yes; Mr. Frascinella – Yes; Mrs. Merrill – Yes; Ms. Martel – Yes; and Mr. Eaton-Yes. The Chair declared the Motion passed.

The Chair declared the meeting adjourned at 7:21pm.